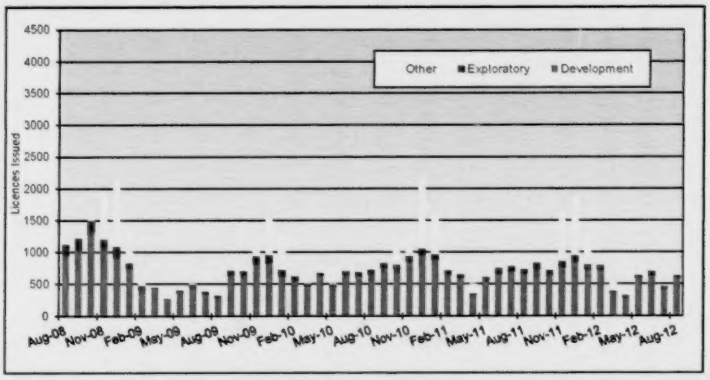
September 2012 Industry Activity Report

Monthly Well Licences



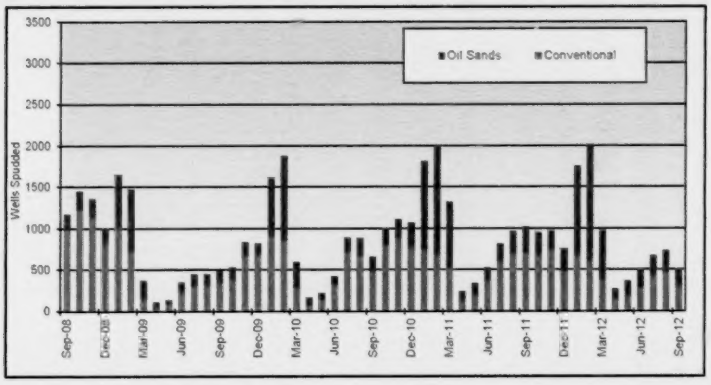
In August, operators obtained 643 licences, down 16% from August 2011.

New well permits over the January-August period were 19% lower than last year's count of 6,634 permits.

2012	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Development	733	727	359	287	593	635	431	583					4348
Exploration	77	77	36	26	27	52	44	58					397
NPW	41	32	15	8	12	16	18	16					158
NFW	1	1	1			2							5
DPT	12	14	8	14	5	21	10	19					103
Outpost	23	30	12	4	10	13	16	23					131
Exper. & Eval. Licences	400	78	119				3	2					602
Total	1210	882	514	313	620	687	478	643					5347

Source: Energy Resources Conservation Board

Alberta Wells Spudded (estimates)



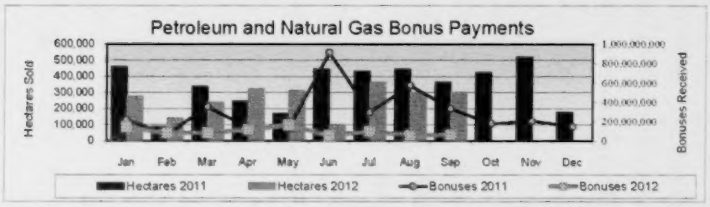
Operators spudded 507 new wells in September, bringing the nine-month total to 7,784 spuds.

The January-September count is down 14% from 2011's nine-month total of 9,025 spuds

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2008	Conventional	1390	1422	563	91	181	682	1106	1040	985	1230	1144	829	10,663
	Oil Sands	1373	1867	809	69	44	168	190	174	185	219	213	176	5,487
2009	Conventional	1010	719	150	40	83	231	308	307	348	370	664	674	4,904
	Oil Sands	641	756	218	69	52	117	136	137	146	161	171	146	2,750
2010	Conventional	908	856	271	66	143	318	715	675	489	795	879	755	6,870
	Oil Sands	706	1022	321	97	73	103	176	203	162	210	233	310	3,616
2011	Conventional	742	683	529	122	182	366	594	697	705	684	734	487	6,525
	Oil Sands	1070	1318	789	119	152	159	218	267	313	269	237	266	5,177
2012	Conventional	669	628	381	148	178	287	434	465	295				3,485
	Oil Sands	1083	1386	595	118	185	220	233	267	212				4,299

Source: Energy Resources Conservation Board

Petroleum & Natural Gas & Oil Sands Land Sales



September's bonus tally was $65.7 million on the sale of 303,804 hectares ($216.40/hectare).

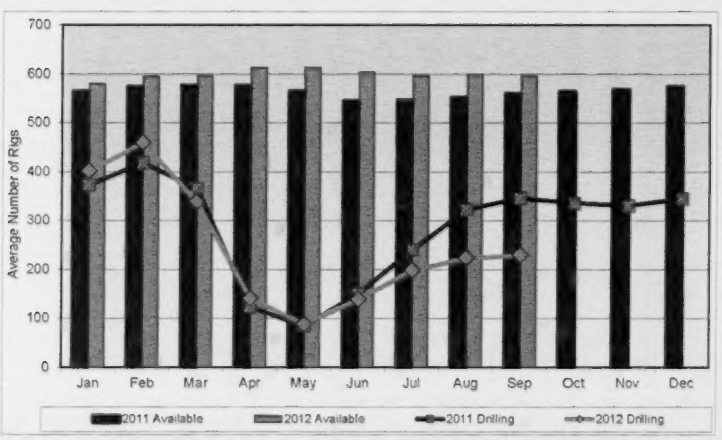
So far this year, the province has collected $873 million on the sale of 2.4 million hectares ($357.52/hectare). During this period in 2011, crown land sales earned $3.06 billion on the sale of 3.5 million hectares ($884.50/hectare)

Petroleum and Natural Gas Rights	Sep-12	Sep-11	YTD 2012	YTD 2011
Bonuses	$64,438,082.80	$330,923,104.22	$862,949,336.17	$3,009,732,281.99
Hectares	301436.36	365161.89	2363965.40	2990178.02
Average Price per Hectare (Cdn$)	$213.77	$906.24	$365.04	$1,006.54

Oil Sands Rights	Sep-12	Sep-11	YTD 2012	YTD 2011
Bonuses	$1,305,015.68	$258,417.74	$9,749,809.60	$48,764,670.45
Hectares	2368.00	923.60	77042.84	467687.05
Average Price per Hectare (Cdn$)	$551.10	$279.79	$126.55	$104.27

Source: Alberta Department Energy

Alberta Rig Activity


Average Number of Rigs
Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec
2011 Available
2012 Available
2011 Drilling
2012 Drilling

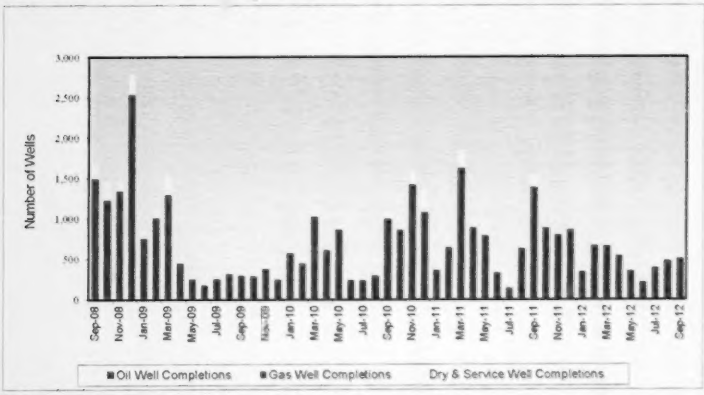
Fleet utilization for the province's 597 rigs averaged 38% in September. Last September, 62% of Alberta's 560 rigs were at work.

So far, Alberta's oil and gas fields have kept an average of 246 rigs at work (from a fleet of 599 rigs). The nine month period in 2011 saw an average of 269 rigs working from a fleet of about 562 rigs.

September	Drilling	Down	Available	Rig Util. Sept-12	Rig Util. Sept-11
Alberta	229	368	597	38%	62%
Saskatchewan	78	65	143	55%	66%
British Columbia	34	20	54	63%	61%
Northwest Territories					
Manitoba	9	13	22	41%	89%
Canada	349	466	815	43%	63%

Source: Canadian Association of Oilwell Drilling Contractors

Alberta Well Completions



There were 524 well completions in September, down 66% from the 1,531 completions reported in September 2011.

To-date, there have been 3,301 oil completions, down 18% from the 4,045 oil completions a year ago, and 882 gas completions, down 68% from the 2,787 completions a year ago.

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2008	Oil Wells	270	158	263	309	174	68	176	262	414	297	272	613	3,276
	Gas Wells	1370	610	952	897	322	202	554	372	1084	937	1075	1929	10,304
	Dry & Service	99	54	175	196	223	83	111	70	200	241	136	247	1,835
2009	Oil Wells	156	116	321	111	71	36	79	101	146	132	169	121	1,559
	Gas Wells	606	899	979	342	187	143	178	217	155	160	212	127	4,205
	Dry & Service	96	120	230	73	81	42	49	61	54	35	63	35	939
2010	Oil Wells	253	144	397	198	400	126	131	168	357	402	999	676	4,251
	Gas Wells	324	308	632	418	462	117	110	135	638	461	847	403	4,855
	Dry & Service	62	79	141	6	51	41	26	43	59	46	169	294	1,017
2011	Oil Wells	226	353	650	419	602	209	105	451	1030	626	559	568	5,798
	Gas Wells	145	294	974	472	196	124	43	183	356	259	243	299	3,588
	Dry & Service	42	127	222	112	160	100	97	94	145	19	32	73	1,223
2012	Oil Wells	215	489	516	405	296	205	348	380	447				3,301
	Gas Wells	131	181	146	141	62	12	46	98	65				882
	Dry & Service	35	48	55	126	128	37	94	63	12				598

Source: Daily Oil Bulletin, Nickle's Energy, Information, and Technology
For further information, visit www.nickles.com